

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)
)
 VERIZON HAWAII INC.)
)
 For Approval of Amendment No. 2)
 To the Interconnection Agreement)
 Between Level 3 Communications,)
 LLC and Verizon Hawaii Inc.)
 _____)

DOCKET NO. 04-0319

DECISION AND ORDER NO. 21571

DIV. OF CONSUMER ADVOCACY
DEPT. OF COMMERCE AND
CONSUMER AFFAIRS
STATE OF HAWAII

2005 JAN 31 A 8:13

RECEIVED

Filed Jan. 28, 2005
At 11 o'clock A .M.

Karen Higashi
Chief Clerk of the Commission

ATTEST: A True Copy
KAREN HIGASHI
Chief Clerk, Public Utilities
Commission, State of Hawaii.

K. Higashi

Copies of Verizon Hawaii's Petition and Amendment No. 2 were served on the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate"). The Consumer Advocate filed its Statement of Position on January 14, 2005, informing the commission that it does not object to the approval of Amendment No. 2 ("Statement of Position").²

II.

The Parties and Amendment No. 2

Verizon Hawaii is a corporation duly organized and existing under and by virtue of the laws of the State of Hawaii ("State"). It is engaged in the provision of varied telecommunications services to its customers and the general public within Verizon Hawaii's chartered territory in the State. Verizon Hawaii is an incumbent local exchange carrier, as contemplated by Section 252 of the Act. Level 3 is an authorized provider of facilities-based and resold telecommunications services in the State.³

The commission approved the original interconnection agreement between the Parties in Decision and Order No. 19479, filed on July 23, 2002, in Docket No. 02-0104 ("Original Agreement" or "Interconnection Agreement"). The Parties' Amendment No. 1 to the Interconnection Agreement was approved by

²No person moved to intervene or participate in this docket.

³The commission granted Level 3 a certificate of authority ("COA") to operate as a facilities-based carrier and reseller of intrastate telecommunications services in the State through Decision and Order No. 17053, filed on June 29, 1999, in Docket No. 99-0049.

the commission in Decision and Order No. 20106, filed on April 3, 2003, in Docket No. 03-0003.

Amendment No. 2 modifies the Original Agreement by establishing new terms and conditions that govern the Parties' rights and obligations with regards to intercarrier compensation and interconnection architecture. The terms and conditions of Amendment No. 2 appear to have been negotiated and arrived at voluntarily, as contemplated by 47 U.S.C. § 252(a).

III.

Consumer Advocate's Position

In its Statement of Position, the Consumer Advocate notes that the terms and conditions of Amendment No. 2 governing intercarrier compensation and interconnection architecture "appear to be consistent with Federal Communications Commission ("FCC") rulings and notices."⁴ In particular, among other things, the Consumer Advocate states that Amendment No. 2's rate plan covering ISP-Bound Traffic, Local Traffic, and VOIP Traffic (as those terms are defined in Attachment A of Amendment No. 2) adhere to the requirements of the "FCC's Order on Remand and Report and Order, *In the Matter of Implementation of the Local Competition Provisions in the Telecommunication Act of 1996, Intercarrier Compensation for ISP-Bound Traffic*, FCC 01-131, CC Docket Nos. 96-98 and 99-68, released April 27,

⁴See, Statement of Position at 3.

2001, which set forth a transitional rate plan capped at \$0.0007 per MOU [Minutes of Use]."⁵

Additionally, the Consumer Advocate finds that Amendment No. 2 "does not or would not discriminate against a telecommunications carrier not a party to the agreement"⁶ and states that it appears to be consistent with the public interest, convenience, and necessity objectives of promoting competition in the telecommunications industry. Moreover, the Consumer Advocate notes that the commission has previously approved amendments to agreements between Verizon Hawaii and other carriers with similar intercarrier compensation terms and conditions⁷ and that approval of Amendment No. 2 will allow Level 3 to continue to provide telecommunications services as its COA authorizes.

IV.

Findings and Conclusions

In our review of Amendment No. 2, we are governed by 47 U.S.C. § 252(e) and HAR § 6-80-54. These sections provide that we may reject a negotiated agreement only if:

- (1) The agreement, or any portion of the agreement, discriminates against a telecommunications carrier not a party to the agreement; or

⁵Ibid.

⁶See, Statement of Position at 5.

⁷The Consumer Advocate refers to the following: (1) Decision and Order No. 19372 for Docket No. 02-0049, and (2) Decision and Order No. 20921 for Docket No. 04-0022. See, Statement of Position at 4-5.

- (2) The implementation of the agreement, or any portion of the agreement, is not consistent with the public interest, convenience, and necessity.

Our review indicates that Amendment No. 2 does not discriminate against other telecommunications carriers and that implementation of Amendment No. 2 is consistent with the public interest, convenience, and necessity. The Consumer Advocate agrees with our assessment of Amendment No. 2.⁸ Moreover, approval of Amendment No. 2 will promote competition in the State's telecommunications market by, among other things, allowing Level 3 to continue to provide telecommunications services in the State.

V.

Orders

THE COMMISSION ORDERS:

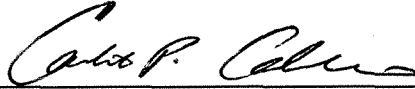
1. Amendment No. 2 to the Interconnection Agreement between Verizon Hawaii and Level 3, filed on November 3, 2004, is approved.
2. This docket is closed.


⁸See, Statement of Position at 5.

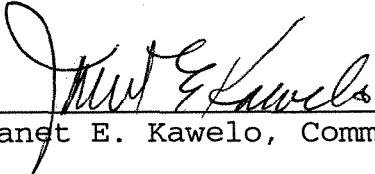
DONE at Honolulu, Hawaii

JAN 28 2005


PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Carlito P. Caliboso, Chairman

By 
Wayne H. Kimura, Commissioner

By 
Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:


Ji Sook Kim
Commission Counsel

04-0319.eh

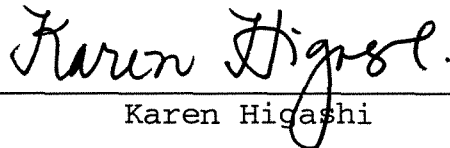
CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Decision and Order No. 21571 upon the following Petitioners, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
DIVISION OF CONSUMER ADVOCACY
P. O. Box 541
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Karen Higashi

DATED: **JAN 28 2005**